

DEPARTMENT OF TRANSPORTATION

DIVISION OF LOCAL ASSISTANCE – M.S. 1

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February 2, 2007

To: Metropolitan Planning Organizations
Regional Transportation Planning Agencies
Local Transportation Commissions
Public Works Directors of All Cities and Counties in California

Dear Director:

Subject: Obligation Authority Plans and Project Authorization for Federal Fiscal Year 2006-07

This letter has two objectives:

1. Notification that requests for authorization need to be submitted to the District Local Assistance Engineer (DLAE) by July 2, 2007 to ensure projects will be obligated by the end of the Federal Fiscal Year (FFY) 2006-07.
2. Request that the annual Assembly Bill (AB) 1012 obligation plans be submitted by April 2, 2007.

Beginning in May, 2006, the Federal Highway Administration (FHWA) implemented changes to their project authorization review process. Due to these changes, a significant number of projects are taking up to 75 days at FHWA for their review prior to authorization. In addition, the California Department of Transportation (Department) and local agencies are now required to submit copies of supporting documents with each authorization request.

To ensure use of all available local obligation authority (OA) by the end of FFY 2006-07, we are requesting that the Metropolitan Planning Organizations (MPOs) and the Regional Transportation Planning Agencies (RTPAs) work closely with their local agencies to submit their requests for authorization by July 2, 2007.

With the compressed time frame for delivery it is also important that the AB1012 obligation plans be submitted to the DLAE by April 2, 2007. This will assist the Department in determining if all Regions will meet the AB 1012 requirements and if all of the local OA will be used by the end of the FFY. A separate request explaining the details of the obligation plan submittals will be sent shortly.

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Please be reminded that deobligations are running higher this year due to the new federal regulation related to inactive obligations. Each deobligation would result in the increase of OA which must be used in the current FFY or it may be permanently lost to the MPOs and RTPAs. I urge MPOs and RTPAs to work with their local agencies to review their federal inactive projects to prevent the deobligation or to plan for the use of the OA created by these deobligations.

If you have any questions or need additional information regarding inactive obligations or project authorizations, please contact your DLAE.

Sincerely,

A handwritten signature in purple ink, reading "Terry L. Abbott". The signature is fluid and cursive, with the first name "Terry" and last name "Abbott" clearly distinguishable.

TERRY L. ABBOTT
Chief
Division of Local Assistance

c: District Local Assistance Engineers
Deputy District Directors for Local Assistance